
CITY OF CHARLOTTE

MULTI-FAMILY RENTAL HOUSING – REHABILITATION RFP SUBMISSION REQUIREMENTS AND EVALUATION CRITERIA

1 SECTION I: PURPOSE

The City is seeking multi-family developers and owners to provide proposals for the rehabilitation of multi-family housing to increase the diversity of housing options in the City of Charlotte using federal and or local funds. Funding will be available for rehabilitation where the rehabilitation substantially improves the quality of the housing stock.

The City allows flexibility in project financing based on the economics of each proposal. Successful projects will be required to ensure a period of affordability enforced through deed restrictions or similar instruments. The maximum request may be no more than 50% of the total project cost. At least 51% of the tenants in each property must have incomes that do not exceed 60% (\$42,420) of the area median income. All projects financed through this program will be required to submit to regular compliance monitoring and must incorporate a compliance monitoring fee into the facility's pro-forma.

Proposals will be competitively scored and additional points will be awarded for properties that offer housing to a mix of incomes, energy efficiency improvements and increased leveraging. The City's financial participation will be based on the amount required to make a development feasible.

The City reserves the right to waive any minor informalities or irregularities, which do not go to the heart of the proposal or prejudice other offers, or to reject, for good and compelling reasons, any and all proposals. Conditional proposals, or those which take exception to the Request for Proposal (RFP), will be considered non-responsive and will be rejected.

The RFP Schedule is shown below:

Activity	Scheduled Date
Proposal Due Date Neighborhood & Business Services 600 East Trade Street – Suite 104 Charlotte, NC 28202	Rolling submission**
Housing & Neighborhood Development Committee	Rolling, typically twice a year
City Council Approval	Rolling, typically twice a year

** The above dates are subject to change at the discretion of the City of Charlotte

2 SECTION II: SUBMISSION REQUIREMENTS

The proposal (application and attachments) should be submitted on-line, dropbox or similar type of submission format organized and labeled as follows:

A. City of Charlotte Application	B. Applicant Information
C. Project Information	D. Project Rehabilitation
E. Project Financing	

Note: The City of Charlotte uses a standard multifamily application – items not applicable to rehabilitation should be marked N/A

2.1 SUBMISSION REQUIREMENTS

To be considered for rehabilitation funding, the subject development must:

- Provide a total benefit of 51% or greater to families earning 60% or less of Area Median Income as defined by U.S. Department of Housing and Community Development.
- Originally placed in service on or before December 31, 1993.
- Require rehabilitation expense in excess of \$15,000 per unit.
- Not deteriorated to the point of requiring demolition.
- Not have received City HTF loan/grant in the last five years for the proposed development.
- Not propose to use City funding to pay off debt or pay for work completed prior to funding award or contract execution.
- Create new affordable housing units or extend the affordability period of existing affordable units. Units designated as affordable and financed under this program will be required to remain affordable to families at 60% of area median income or below for twenty years.
- Federal fund recipients must comply with all applicable Community Development Block Grant regulations including but not limited to Davis Bacon, Section 3 and Environmental Review requirements.

2.2 APPLICANT INFORMATION:

Please provide the following information about the applicant:

- A. Description of the applicant's expertise in developing/ rehabilitating and operating housing developments to include:
- Developer's track record with similar developments.
 - Detail the development team experience.
 - Property Management & experience with similar developments.

- Development team is subject to Charlotte Business INClusion program requirements and must submit their goal for SBE participation and specify the trades or vendors that will contribute to the developer in meeting the SBE goal.
- B. Minimum of three references that can speak directly to the applicant's development experience.
- C. Applicant's financial statements prepared by an accountant for current year and previous year.
- Most recent independent audit.
 - Auditor's management letter.
- D. Applicant's organization/background information
- Legal name of business.
 - Director/President of the organization.
 - Articles of Incorporation and current bylaws.
 - IRS 501 c (3) determination letter (if non-profit).
 - Type of Organization, (corporation, general partnership, Limited Liability Corporation, etc).
 - List of Board of Directors (Include address and telephone numbers). List officers and their positions.
 - Current organizational chart.
 - Federal Tax ID# or Social Security # of owners.

2.3 PROJECT INFORMATION

Provide the following information regarding the subject multifamily rehabilitation project:

- Description and scope of the project, its history and acquisition/ rehabilitation goals.
- Number and types of units (i.e. affordable).
- Income levels to be served (specify the number of units at each income level).
- Statement of the purpose of the loan/grant request and projected impact of the project.
- Statement of project costs and verification of any committed and/or anticipated funding for the project (i.e. approval letters, letters of intent, and feasibility letters).
- Statement of details of any pending litigation.
- Project appraisal determined by a Member of the American Institute (MAI) – Land and building(s). The appraisal should include; identification of the property being appraised, purpose and function of the appraisal, definition of market value, date of appraisal, property rights being appraised, site (land) description, description of improvements (building), real estate taxes on subject property, three approaches to value (cost, market and income), correlation of the three approaches, assumptions and limited conditions and qualifications of the appraiser. Appraisal should be no older than 6 months. Older appraisals will be accepted for review purposes but must be updated.

- Map with location and directions to the site.
- Proximity to amenities – medical, groceries and transportation.
- Legal description of real estate.
- Description of any environmentally significant site condition(s).
- Description of historically significant conditions requiring Historic Review (if applicable).
- Description of any supportive services (if applicable).
- Detailed management plan for multi-family housing.
- Statement or list of any outstanding uncorrected noncompliance issues for properties managed by the proposed management company or list of North Carolina Housing Finance Agency (NCHFA) compliance of Tax Credit Properties in default over the last ten (10) years.
- List of any properties managed by the proposed management company that have been in default in the last ten (10) years.
- Relocation plan and statement of proposed relocation assistance (if applicable)
- Specify the number of years the unit will remain affordable (period of affordability).
- Real Estate Taxes – State in detail the assumption used to arrive at the annual real estate taxes proposed in the pro-forma.
- Evidence of site control – (Site control can be exhibited through an option to purchase, purchase contract, executed deed or a City-approved lease for as long as the requested loan term or period of affordability).
- Photographs of the site including all buildings, other significant structures and site amenities.
- Two years of rent rolls.

2.4 ELIGIBLE REHABILITATION

Eligible activities include but are not limited to structural, mechanical and electrical repairs, roof, windows, doors and work required when it has been determined that the useful life is five years or less and projects where rehabilitation is needed to make the units habitable. Repairs such as painting, replacing floor covering, and trim work are only eligible when they are part of a larger project. Provide:

- A detailed scope of work.
- A cost estimate from a qualified source(s) including cost per eligible unit and costs per square foot.

2.5 PROJECT FINANCING

Please provide the following documentation regarding the financial design of the proposed project:

- Statement detailing use of the loan proceeds, type (loan or grant) and terms.
- Proposed sources and uses of funds.
- Proposed project schedule (include dates for initial closing, construction start and substantial completion).
- Project budget (including relocation if applicable).
- Proposed project pro-forma for multi-family rental developments (with assumptions, rents, % of annual change in income and expenses) 20-year pro-forma for multi-family rental developments.*
- Proposed terms of the City funding request, specify lien position and collateral (if applicable).
- Detail any developer fees and equity share.
- *The standard pro-forma provided by the City of Charlotte must be used

Housing & Neighborhood Services
2017 Median Family Income for the Metropolitan Statistical Area:
Charlotte - Gastonia - Rock Hill

FAMILY SIZE								
% OF INCOME	1	2	3	4	5	6	7	8
20%	\$9,000	\$10,300	\$11,550	\$14,150	\$13,900	\$14,900	\$15,950	\$16,950
30%	\$13,500	\$15,400	\$17,350	\$21,200	\$20,800	\$22,350	\$23,900	\$25,450
40%	\$18,000	\$20,550	\$23,150	\$28,300	\$27,750	\$29,800	\$31,850	\$33,900
50%	\$22,500	\$25,700	\$28,900	\$35,350	\$34,700	\$37,250	\$39,850	\$42,400
60%	\$27,000	\$30,800	\$34,700	\$42,400	\$41,600	\$44,700	\$47,800	\$50,900
70%	\$31,500	\$36,000	\$40,450	\$49,500	\$48,600	\$52,150	\$55,800	\$59,350
80%	\$35,950	\$41,100	\$46,250	\$56,550	\$55,500	\$59,600	\$63,700	\$67,800
90%	\$40,500	\$46,250	\$52,000	\$63,650	\$62,450	\$67,050	\$71,750	\$76,300
100%	\$45,000	\$51,400	\$57,800	\$70,700	\$69,400	\$74,500	\$79,700	\$84,800
110%	\$49,500	\$56,550	\$63,600	\$77,750	\$76,350	\$81,950	\$87,650	\$93,300
120%	\$54,000	\$61,600	\$69,400	\$84,850	\$83,200	\$89,400	\$95,600	\$101,800